GOVERNMENT OF INDIA
WATER RESOURCES
LOK SABHA

UNSTARRED QUESTION NO:614
ANSWERED ON:22.11.2000
PARTICIPATION OF PRIVATE SECTOR IN IRRIGATION
SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Government propose to invite private sector participation in implementing irrigation projects in the country;

(b) if so, the details thereof; and

(c) the response of private sector in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SMT. BIJOYA CHAKRAVARTY)

(a) & (b) The Government of India had constituted a High Level Committee under the Chairmanship of the then Union Minister of State for Water Resources to examine the feasibility and scope of Private Sector Participation in irrigation and multi-purpose projects. The Committee submitted its report in December, 1995, which, inter-alia, recommended promoting private sector participation in command area development programme, upto bulk supply of water to Water Users Associations and to consider giving incentives such as tourism, tax holidays, floating tax-free revenue bonds/loans a t concessional rates including moratorium on repayment, development of pisiculture, limited use of reservoir water for horticulture, right of water sports, navigation in reservoir areas, lands for commercial exploitation on embankments, etc.

(c) Although some major states like Maharashtra, Gujarat, Orissa and U.P. have given positive response and, out of these Gujarat and Maharashtra have introduced the concept of Private Sector participation in some limited projects as pilot projects, most of the States have indicated lack of scope of private sector participation in this sector.